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EX PARTE OR LATE FILED

December 9, 2002

BY HAND DELIVERY

Marlene H. Dortch
Secretai·y
Federal Communications Commission
445 Twelfth Street, SW
Washinylon, DC 20554

Re: CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116, 98-170
        Oral Ex Parte Presentation

Dear Ms. Dortch:

On December 6, Richard Whitt and Alan Buzacott of WorldCom, Inc., and the undersigned, outside counsel *to* WorldCom, met with Daniel Gonzalez, Senior Legal Advisor to Commissioner Kevin J. Martin. During those discussions, WorldCom reiterated the basic points previously made in written submissions in the above-captioned dockets in support of a connections-based universal service fund (USF) contribution mechanisni. Alternately, if the Commission decided to modify the existing revenues-based scheme, on an interim basis, WorldCom stressed that such an approach should increase the wireless safe harbor to 40%. for the reasons set forth in the written *ex parte* tiled in this proceeding by the Coalition for Sustainable Universal Service on November 19, 2002. WorldCom also indicated that the exclusion of private line revenues from the safe harbor calculation would have only a minimal impact on *the* percentage of wireline carriers' revenue that is interstate or international. Specifically, whereas 43.23% of wireline carriers' total 2000 interstate revenue was interstate or international, the

exclusion of private line revenues would reduce that percentage only slightly, to 41.15% (see attachment, which was provided to Mr. Gonzalez).[1]

WorldCom also urged the Commission to permit carriers to continue recovering as part of their USF line item all administrative and other costs incurred in collecting USF contributions. WorldCom also repeated concerns that adoption of a USF contribution mechanism based on projected revenues would likely require carriers to incur significant costs developing and implementing systems necessary to estimate future revenues and future uncollected revenues, as well as some form of a true-up mechanism to conform projected revenues to actual revenues.

Pursuant to section 1.1206(b)(2) of the Commission's rules, 47 C.F.R. § 1.1206(b)(2), two copies of this letter for each of the above-referenced dockets are being provided to you for inclusion in the public record of the above-rererenced proceedings.

Sincerely,

Ruth M. Milkman

Attachment

cc: Daniel Gonzalez

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[1]   The November 19, 2002 *ex parte* letter reported on the percentage of interstate wireline revenues (41.43%) for 2001. Because service-by-service revenue data for 2001 has not yet been released by the Commission, the above calculation is based on data for 2000. However, there is no reason to believe that the impact of excluding private line revenue would be any more significant with 2001 data than 2000 data.

<div align="center">**Attachment**</div>

Wireline End User Telecommunications Revenue

	Intrastate	Interstate	International
RBOC	62,326	12,566	0
Other ILEC	7,179	1,400	1
CLEC	4,723	2,188	121
Toll	22,860	44,876	12,785
Total Wireline	97.088	61,030	12.907

Percent Interstate & International   **43.23%**

Less: Local Private Line and Special Access Service Revenue

	Intrastate	Interstate	International
RBOC	2,675	2.286	0
Other ILEC	254	47	0
CLEC	1,000	930	0
Toll	12	9	0
Total Wireline	3,941	3.272	0

Less: Long Distance Private Line Services Revenue

	Intrastate	Interstate	International
RBOC	972	6	0
Other ILEC	96	2	0
CLEC	117	304	13
Toll	1,645	6,235	959
Total Wireline	2.830	6,547	972

Wireline End User Telecommunications Revenues Less Local & LD Private Line

	Intrastate	Interstate	International
RBOC	58.679	10,274	0
Other ILEC	6.829	1,351	1
CLEC	3,606	954	108
Toll	21,203	38,632	11,826
Total Wireline	90.317	51.211	11,935

Percent Interstate & International   **41.15%**

SOURCE: CCB/IAD, "Telecommunications Industry Revenues 2000," January 2002, Table 6